G.R.S. [X–5]

Previous references. 1923-24 (I. & H.)

File No. 80-23

Serial Nos. 1610, 12 & 13

Later references.
D.O. 32. 18 & 31. 24. 2530, 31, 33, 34 & 36

GENERAL AND REVENUE SECRETARIAT.

Q-55-E

Serial Nos. 1 2

Part B for April 1924

SUBJECT

Surplus Revenue of the C. of Ind. Allocation & Payment of the Auxiliary by the Imperial Govt.

From the Secy: to the Hon'ble the Resident
No. 0.C. 880 of 20-3-1924.
Requests to be taken the sanction
of the Govt of India to adjust the balance
of the surplus revenue of the C. & Ind. Stn.
Still due for 22-23 towards the Reimbursement
of the Auxiliary.

From the Secy: to the Resident in Waziristan
No. 0.C. 1279 of 25-3-24
States that Govt of India have agreed
addressed by telegram to accept the

A1690

25/4/24

Payment of 2nd instalment of Subsidy

The connected papers are with the personal staff

Subsidy
Imam
27th Mar 1922

To action Secretary.

I have shown this to Complr & requested him to pay the whole except the amt due to me & to report on 31st inst - we do not hear by then &

Imam
29.3.22

Fee little Comm. chd papers

WHVS

mad
30/3

D 2250

G. R. S. III.

General and Revenue Secretariat.

9. F File No. 80 of 1923.

Serial No.

DEWAN'S OFFICE.
Rcd. on DEC 28 1923
Reg. No. 4393

Surplus Revenue of the C.& M.Station.

---

(1) The surplus of the Civil & Military Station for the year 1921-22 due to us in 1922-23 was adjusted by the Accountant-General in his accounts for February 1923 and the amount was actually received by us in the month of March 1923. The actual surplus for the year 1922-23 must have been calculated by now and there is no reason why its payment should be delayed. It is one of the conditions of the new settlement that it should not be applied to the surplus of 1922-23 payable to us in the current year. We have to pay a sum of ~~Rx12Rx~~ Rs17½ lakhs as the first instalment of the subsidy in the next month and I do not see why we should not ask the Government of India to adjust the Station surplus towards this demand. When we preferred a claim for interest ~~xf~~ on the surpluses of the Station with-held, the Government of India said that they were not disposed even to discuss the question with us. When money due to us is with them, ~~it~~ it would not be fair on their part to refuse to set it off against the amount payable by us. Besides the surplus due for the year 1922-23, there is a sum of Rs5 lakhs which, under the new settlement, has to be paid to us ~~xx~~ out of the arrears for the three years beginning with 1918-19. The exact amount payable for 1922-23 is not known to

Serial No.

us but based on the Revised Estimate for that year which the Resident had included in the printed statement which he had sent in connection with the surplus settlement question, I think it may be taken a t Ra7½ lakhs. Including the sum of Ra5 lakhs payable out of the old arrears, the total amount due to us is Ra12½ lakhs. I think we may well ask the Government of India to adjust the whole of this amount against the first instalment of the subsidy payable by us in January 1924 and intimate to us the balance still payable against the demand of Ra17½ lakhs and such balance we shall arrange to pay in cash in the last week of that month.

(2) I put up a draft accordingly.

29/12/23

DEWAN.) (3) approved & returned for issue

(4) Issued

(5) Letter signed and despatched

29/12/23

dewan

(6)

30/12

DEWAN'S OFFICE
Regd. DEC 29 1923
No. 4429

Submitted to His Highness.

---

7 The surplus of the Civil and Military Station for the year 1922-23 is payable to us in the current year and we have not yet heard as to when this payment will be made. The surplus for the year 1921-22 was paid to us in March 1923 and the payment due this year also may be put off till March next. There is, besides, a sum of Rs. 5 lakhs which, it has been settled, should be paid to us out of the arrears for the three years beginning with 1918-19. These two items will exceed Rs. 12 lakhs and it will be of great help to us in our cash operations if we can have this amount adjusted against the first instalment of Rs. 17½ lakhs of the subsidy payable to the British Government in January 1924. When a large amount payable to us is already held by the Government of India, it is not fair that we should be asked to pay our dues in full and wait for the money due to us. Our request for the adjustment of the amounts due to us as far as they go towards the first instalment of the subsidy cannot be considered unreasonable and the Residency has, accordingly, been requested to kindly have the adjustment made and intimate to us the balance for payment in cash.

8 I submit the letter addressed to the Residency for the gracious information of His Highness.

Bangalore,
30th Decr. 1923.

30 DEC 1923

CSR.

Record of Cases submitted for the Orders of His Highness the Maharaja

Subject.

Letter addressed to the Residency anent the adjustment of the surplus revenues of the Civil and Military Station towards the first instalment of the subsidy

Order.

To KRW

4/1/24

Ilsey 4/1

6 JAN 1924

7.1.24

G. R. S. III-2,

General and Revenue Secretariat.

Gr. File No. 80 of 1923.

Serial No.

2 1) From the Secy to the Resident
No. 121/606-1899 dated 8.1.24.
with refee to Sl. 1 states that the Pro-forma
accounts of C & M Station Bolore for 22-23.
has been sent to Accountant General
Central Revenues Calcutta for verification
and that the surplus for that year
cannot be adjusted till the account
has been finally verified by him and
that further as the matter has to be
approved by the Govt of India and also by
the Secy of State - no adjustment of Rs 5
lakhs can be made - as desired.
Submitted for information and orders

(Sd Illegible
8/1/24)

Sd
8/2

2) The reply is unsatisfactory.
It is more than 9 months since the year
closed and yet the surplus is stated
to be still under Verification. As
regards the sum of 5 lakhs towards arrears
there is no reason why it should not be
adjusted as both parties have agreed to
the arrangement. We may await
further reply which is due in view
of what is stated in paras 1 & 3 and
we may say that we expect that
the adjustment will be permitted
by the Govt as there can be no

n. sheet.

G. R. S. III-2]

General and Revenue Secretariat.

A. & F. File No. 80 of 1923

Serial No.

DEWAN'S OFFICE
Recd. on JAN 8 1924
Reg. No. 4702

DEWAN'S OFFICE
Recd. on JAN 9 1924
Reg. No. 4724

DEWAN'S OFFICE
Recd. on JAN 23 1923
Reg. No. 5093

obsn & d. Submitting a draft reply. Dwk 8/1/24

W) When is the subsidy due?

2

9.1

15) Before the end of this month

Dwk 9-1-24

Dewan)

16) Copy issued Dwk 10/1/24

Issued Pol. Gen D. 10/1/24

17 The first instalment of the subsidy has to be paid before the end of this month and we have not so far heard from the Residency as to whether our request ~~xiii~~ for the adjustment of the Civil & Military Station surplus towards this demand will be complied with or not. We have already addressed two communications and in the second of them we have even suggested that the necessary permission might be obtained by telegraph. I do not know if there is any object in sending a third communication. I however put up a draft D.O.

DEWAN. No reply received Dwk 23/1/24

Dwk 25.1.26.1

NOTE—Contn. sheet.

G. R. S. III—3]

ROUTINE NOTES.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

DEWAN'S OFFICE.
Recd. on JAN 25 1924
Reg. No. 5165

19 Copy of letter dated the 25th instant from the Residency agreeing to the adjustment of the surplus revenues of the Civil and Military Station, Bangalore towards part payment of the Subsidy by the Mysore Government is submitted to the Dewan

Registrar.

sl ps
d on

G. R. S. III-2]

General and Revenue Secretariat. | File No. 82 of 19 25

Serial No.

I herewith submit the Residency letter just received stating that the Government of India have agreed to comply with our request for adjusting, towards the subsidy payable this month, the surplus of the Civil & Military Station due for the year 1922-23 as also a sum of Rs.5 lakhs payable towards the arrears of the with-held surplus for the three years beginning with 1918-19. I have sent a copy of the letter to the Comptroller for information and guidance, so that, he may make arrangements for the payment in cash of only the balance of Rs.6,46,518/-

I put up a draft letter acknowledging the receipt of the letter and expressing thanks.

There is one very important point to which I have found it necessary to allude in the acknowledgment. The Residency letter states that what has been adjusted on account of the year 1922-23 is "the Mysore share of the surplus revenues". I believe that one of the conditions of the settlement finally agreed to by both the parties was that the principle of apportionment should be applied commencing with the surplus for the Station year 1923-24 payable to us from 1924-25.

It would appear from the present letter that this principle has been applied to the surplus of the year 1922-23 itself. This, I consider, is a

Serial No.

a departure from the proposed settlement and the result of the departure is that our Budget expectation is disappointed to the extent of about Rs.1½ lakhs. If as the letter indicates ~~that~~ what has been paid to us for the year 1922-23 is the ¾ths share of the surplus, the total surplus should be a little over ~~nearly~~ Rs.8 lakhs; and according to the settlement the whole of the sum of Rs.8 lakhs is due to us, as we have ~~suggested~~ stipulated that the old settlement of 1912 should be permitted to operate ~~fully~~ upto and inclusive of the year 1922-23.

I put up a D.S.N. for reporting the matter to His Highness. The connected file was submitted to the Dewan two or three days back suggesting the issue of a D.O. reminder to the Resident for permitting the adjustment which is now advised in the Residency letter ~~now~~ under consideration.

25/11/24

Dewan Sahib
The Surplus has
been fixed for 22-23
& 23-24 also
under the 1912
settlement.
The year 22-23 comes to
an end only on 24.25—
Hence I cancelled the
2 letters

To draft a D.O. to the Resident for permitting the adjustment of the Surplus for 1922-23 & 1923-24 which is now advised in the Residency letter under consideration.

Printed. NOPS 700-26-4-21.

NOTE—Contn. sheet.

Submitted to His Highness.

In continuation of my note dated 30th Dec. 1923 I beg to report for the gracious information of His Highness that our suggestion that the surplus of the Civil and Military Station payable for the year 1922-23 together with a sum of Rs. 5 lakhs due on account of the with-held surplus of the three years - beginning with 1918-19, according to the settlement arrived at, may be adjusted towards the first instalment of the subsidy payable this month has been accepted by the Government of India as communicated in the Residency letter dated 25th January - 1924 which is herewith submitted for information.

It would, however, appear from this letter that the principle of apportionment of surplus has been brought into effect commencing with the surplus of the year 1922-23 itself. This is not the intention of the Settlement to which we have agreed. We have distinctly made it a condition of the new Settlement that it should be brought into force from the year '23-'24. In the letter acknowledging the present Residency letter and - conveying thanks for complying with our request, this point has been raised and information about it has been sought. On its receipt, the position will be examined and reported to His - Highness.

26 JAN 1924

Bangalore,
26th January 1924.

EWU.

Letter No. 812/606-1899 dated the 25th January 1924 from the Secretary to the Resident in Mysore, to the Financial Secretary to the Government of His Highness the Maharaja of Mysore.

PAYMENT OF THE SUBSIDY BY THE MYSORE GOVERNMENT.

With reference to the correspondence ending with your letter No. 641-Pol. dated the 10th January 1924, I am directed to state that the Government of India have been pleased to accept the Mysore share of the surplus revenues of the Civil and Military Station, Bangalore for the year, 1922-23 amounting to Rs. 6,03,482/- (Rupees six lakhs three thousand and four hundred and eighty two) as part payment of the subsidy instalment due by the 31st January 1924. They have also agreed similarly to set off rupees five lakhs payable to Mysore Government from the accumulated surpluses on the clear understanding that the adjustment is provisional only and subject to the view that the Secretary of State for India may take of the proposed settlement of the Assigned Tract Revenue question.

The balance of the subsidy payable in cash by the Mysore Government by the 31st January 1924 is Rs. 6,46,518 (Rupees six lakhs forty six thousand and five hundred and eighteen).

The receipt of this letter may kindly be acknowledged.

"C O P Y"

CSR.

Government of His Highness the Maharaja of Mysore,

General and Revenue Secretariat,

Bangalore, dated the 26th Jany. 1924

From

Rajakaryaprasakta
M.N. Krishna Rao, B.A.,
Financial Secretary to the Government of
His Highness the Maharaja of Mysore, Bangalore.

To

A.N.L. Cater, Esq., I.C.S.,
Secretary to the Hon'ble the Resident in Mysore,
B a n g a l o r e.

Sir,

I am directed to acknowledge the receipt of your letter No. 812/606-1999 dated 25th January 1924 and to express the thanks of the Government of Mysore to the Government of India and the Hon'ble the Resident, for having kindly complied with their request for adjustment, towards the subsidy payable in the current month, the surplus revenues of the Civil and Military Station due to them.

2. It is stated in your letter that what has been adjusted as the amount due for the year 1922-23 is "the Mysore share of the surplus" for that year. One of the conditions of the new settlement agreed to by the Government of Mysore and the Hon'ble the Resident is that the principle of apportionment of the surplus should be brought into force from 1924-25. It would, however, appear from the letter under reply that the principle of sharing the surplus has been applied to the surplus of the year 1922-23 itself. I am to request that information may be kindly furnished to clear up this doubt.

I have the honour to be
Sir,
Your most obedient servant,

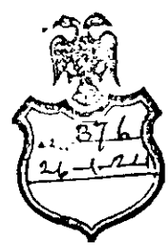
(Sd.) M. N Krishna Rao

Financial Secretary to Govt.

CSR.

Record of Cases submitted for the Orders of His Highness the Maharaja

Subject.



Residency letter regarding the adjustment of the surplus of the C. & M. Station payable for 1922-23 - towards the first instalment of the Subsidy payable in January.

561

Order.

31 ~~KRW~~
29/1/24

Hzcq 4/1

Mull
30.1.24

14
V-F 18)
2945

G. R S. III-2]

General and Revenue Secretariat.

52 File No. 86 of 1923

Serial No.

From the Secretary to the Resident
No: 1412 dated 12th Feby 1924
606-1899

with reference to 6 states that a sum of Rs. 2.01160-13-9 has been kept in reserve out of the surplus of Rs 804-643-6-10 for the year 1922-23 as per orders of the Govt of India to maintain a reserve fund of Rs 3 lakhs as a permanent measure and the balance has been adjusted towards the 18th inst of subsidy and that in the event of the order being modified, the balance will be handed over to Govt.

Submitted with previous papers

for info
7e Secy

13.2.24

In our letter dated 26th January 1924 we enquired of the Residency why the amount paid to us for the year 1922-23 was described as "the Mysore share of the surplus for that year" when the principle of sharing was not intended to be applied to the surplus of that year. In the letter now received, para 2, it is stated that there is no intention to apply the principle to the surplus of

est.

Serial No.

of that year and even regret is expressed at the misapprehension caused. Inspite of this assurance and regret, one-fourth of the surplus for 1922-23 has, as a matter of fact, and as apprehended by us, been retained by them and in justification of this retention is quoted an arrangement proposed by the Government of India at an earlier stage of the negotiations. This arrangement was proposed by the Government of India in May 1923 and according to it a sum of Rs.3 lakhs was to be built up from the annual surpluses for meeting future deficits. This arrangement completely fell through and it is one of the plain conditions of the new settlements that no part of the surplus is to be set aside for forming a reserve for meeting future deficits. The operation of the old and new settlements should be like this:- Upto the year from which the new arrangement will come into force, the entire annual surpluses should be handed over to us, subject only to the retention of about Rs.15¾ lakhs with-held for financing the improvement works undertaken by the Station and in the calculation of the amounts to be paid to us for this period, the previously with-held surplus of Rs.5 lakhs should also be included. From the year of the new arrangement, our share of the surplus should be handed over to us and no question of forming a deficit reserve would

16 - Para 6 Vol - V. of Printed collection

Serial No.

would arise at all. I cannot, therefore, understand on what authority the Resident has with-held a sum of little over Rs.2 lakhs due for the year 1922-23. The authority quoted in support of this retention is, as I have already stated, a tentative earlier ~~settlement~~ proposal put forward by the Government of India to which we did not agree and which was actually abandoned afterwards. There is some misconception on the part of the Resident which is responsible for this with-holding of the sum of Rs.2,01,160-13-9 out of the surplus of the year 1922-23. There can be no doubt that the money is due to us and I think we have to insist upon its payment immediately,.

13.2.24

Dewan)

[illegible]

NOTE—Contn. sheet.

G. R. S. III-2]

General and Revenue Secretariat.

47 File No. 80 of 1923

Serial No.

Draft for Mr. Hardy
Thus has your final scheme
to the instructed various
Officials last met.

While buying the
Receipts — the
merchants can have
no objection — for
keeping a book
by the Receipts
or the Receipts by
a Revenue Peon — the
Committee think that
Peon receipts — and
any employee
then objects — or
the employer refused
to take the Income
tax Form No 25 —

Yes also
Despatch

Draft and D.O. forwd
Mull
14.2.24

Revd

NOTE—Contn. sheet.

5-7-80-23

Submitted to His Highness.

In paragraph 2 of my Submission Note dated 26th January 1924, I reported that it appeared from the Residency letter No. 812/606-1899 dated 25th January 1924, as if the principle of apportionment of surplus, which is a part of the new Settlement, had been applied to the surplus of the year 1922-23 and that such application was not right. The Residency was requested to clear up this doubt in our letter dated 26th January 1924, and the reply now received --letter No.1412/606-1899 dated 12th February 1924-- states that there is no intention to apply the new Settlement to the surplus of 1922-23 and also expresses regret at having caused any misconception on the point. But, the same letter attempts to justify the retention of one-fourth of the surplus due for 1922-23 on the ground that the Government of India had proposed in May 1923 to form a reserve of Rs.3 lakhs for meeting future deficits. This proposal was part of one of the earlier suggestions of the Government of India for the solution of the question of the Civil and Military Station surplus. This suggestion was found to be very unacceptable and all the correspondence and personal discussions since May 1923 have been with the object of modifying this very suggestion. A new scheme of sharing the surplus has been agreed to by both parties and it does not apply to the surplus of 1922-23. The entire surplus for that year is due to us according to the settlement of 1912 and the retention of one-fourth of the surplus by the authorities of the Civil & Military Station is quite unjustifiable. A communication explaining this point and requesting the early payment of the balance still due for the year 1922-23 has been addressed to the Residency and I submit it for the

gracious

gracious information of His Highness.

Bangalore,
15th February 1924.

SGN.

CONFIDENTIAL. 1/2 + 6^1 - 1 1x

Record of Cases submitted for the Orders of His Highness the Maharaja

Subject.

39) Letter to the Residency requesting the early payment of the balance of the surplus of the Civil and Military Station for the year 1922-23.

623

Order.

40 ~~KRW~~
16/2/24

41) Financial Secy

42)

17 FEB 1924

43) 18/2/24

G. R. S. III-21

General and Revenue Secretariat.

G.7 File No. 80 of 1923.

Serial No. (9)

To the Resident : No 787 & 18-2-24.

From the Secy to the Resident
No Pol: 1848 dated 27-2-24
1173 613-1899
with reference to 81 & —
States that the 1/4 part of the Surplus Revenues for the year 22-23. was not withheld under any instructions or orders of the Resident but under the orders of the Govt of India.

Sabed
Mtr
28/2.

44) The Residency ~~letter~~ reply to our protest against the with-holding of ~~the~~ one-fourth of the ~~xxxx~~ surplus for the year 1922-23 has been communicated in the above letter.* The excuse pleaded is the weakest possible and I cannot understand how it has been seriously urged.

P.U.D

45) It is argued that the Government of India letter* dated 7th May 1923 conveyed "definite orders of the Government of India which hold good until they are modified or superseded by fresh orders". It is also added that this letter cannot be construed as communicating only "a tentative proposal" and that "the scheme outlined in it has not yet been officially abandoned." The settlement of 1912 was with the approval of the Secretary of State and the departure made fr

Page 15, Vol: V of Printed Collection.

from

NOTE—Contn. sheet.

Serial No.

Page 1, Vol: IV of Collection
Page 15- Vol. V

from that settlement with the object of with-holding the surpluses of the three years from 1918-19 was also with the consent of the same authority: vide Residency letter dated 22nd July 1920. The Residency letter of 7th May 1923 does not state that the scheme communicated in it is supported by the authority of the Secretary of State. It can hardly be contended that an arrangement approved by the Secretary of State could be upset by the Government of India.

46) The Residency letter admits that we protested against the scheme communicated in the letter of 7th May 1923 and that the Government of India "consented to take the matter into further consideration" Even supposing that what was communicated in the letter of 7th May 1923 was an order, it ceased to be such, when our protest against it was entertained and the necessity for its modification was recognised. How in the face of this only possible logical inference, it is seriously contended that the scheme outlined in the letter of 7th May 1923 should be considered as an operative settlement, I fail to understand.

47) If, as urged by the Residency, the part of the scheme dated 7th May 1923 relating to the formation of a reserve of Rs.3 lakhs against future deficits

should

Serial No.

should be held to be binding until final orders are passed on the new settlement proposed, it is difficult to understand why this part of the order was not enforced in respect of the surplus for 1921-22 which was handed over to us in ~~fact~~ full and was not subject to any deduction for the formation of a reserve. The payment of the entire surplus for 1921-22 and the with-holding of a part of the surplus for 1922-23 are clearly inconsistent actions on the part of the Government of India. The payment of the total surplus for 1921-22 cannot take any construction other than the revival of the old ~~xxxxxx~~ settlement of 1912. To read any other meaning into it is clearly untenable. The authority under which the surplus of 1921-22 was made over to us cannot be held to have lost force in ~~applying~~ its application to the surplus of the next year 1922-23.

Page 16 - Vol. V

48) In para 6 of the Residency letter dated 7th May 1923, it was proposed to build up a reserve fund of Rs.3 lakhs for the purpose of meeting possible future deficits. That this was nothing more than a proposal is evident from the fact that nothing was stated as to the rate at which the annual contribution should be made or the period ~~during~~ within which the total amount was to be made up. The Residency would have us take an indefinite suggestion as a definite order of the Government of India to

NOTE—Contn. sheet.

~~subject~~

24
-25

G. R. S. III-2]

General and Revenue Secretariat. | 8 & . File No. 80 of 19 23

Serial No.

Page 15-Vol. V

P.U.D.

Support
~~subject~~ the unauthorised with-holding of a part of the surplus for 1922-23.

49) It is also difficult to understand how the Residency seriously contends that the scheme of the Govt. of India proposed in ~~the Residency~~ its letter of 7th May 1923 has not been abandoned. We took exception to every part of that scheme and the justice of our contention has been admitted by the material modificatio made in it. In fact, we did not ~~even~~ agree to the whole of the surplus for even the three years from 1918-19 being retained for improvement works and a substantial part of the surpluses of these three years has already been made over to us. How in the face of all these incontrovertible facts, the Residency contends that there is any binding value in the scheme of 7th May 1923, it is hard to understand.

50) The closing part of the letter wants to assure us that the action in regard to the with-holding of one-fourth of the surplus for 1922-23 is not on the authority of the Resident but of the Government of India. It is immaterial who has ordered the retentio The retention itself is altogether unjustifiable and we have to press for the immediate payment of the with-held part of the surplus for the year 1922-23.

DEWAN. 57) Adopt letter 28/7/24

Note—Contn. sheet.

G. R. S. III-21

General and Revenue Secretariat. | R.& File No. 80 of 1923.

Serial No.

under the recent amend
ments - also under
the 1912 rent- may
be calculated with ref. to the
The collection of this
tax be carried out by
the ordinary staff
of the Municipality
should an budget..
Only The income the
increase in up-
to-date consideration
under the revised scheme
and as the may better
improved a scheme
It was objected to from
Government - of new
only the basis of it cannot
be worked - The preparing
the Director.

1.3

52) Draft letter to Resident and D.S.N. put up

Small
1.3.24

53) Revised

Perhaps when all
other rolls are

NOTE—Contn. sheet.

D 3523
X

96

21.

G. R. S. III-2]

General and Revenue Secretariat.

G.S. File No. 80 of 1923.

Serial No.

54) A sum of about Rs.2 lakhs is still due to us towards the surplus of the year 1922-23 of the Civil & Military Station and this amount has been unjustifiably with-held. We have to pay the second instalment (Rs.17½ lakhs) of the subsidy before the end of this month and it is not reasonable that we should be required to pay the whole of this amount when we have a claim to a set off for a part of it.

55) About the beginning of this month I submitted as directed by the Dewan, a D.S.N. and a draft reply to the Residency in regard to the recovery of the balance due for the year 1922-23. The file has not yet been returned and I do not know in what stage it is.

56) When we had to pay in January last the first instalment of the subsidy, we succeeded by repeated communications in having a sum of Rs.5 lakhs due towards the arrears of the three years from 1918-19 adjusted against this instalment. This ~~xxxx~~ payment of Rs.5 lakhs is part of the new Settlement which has not yet been formally approved by the Government of India and the Secretary of State. When even this sum was allowed to be used as a set off, there should be no objection to permit the balance due for the year 1922-23 -- our claim to which is in every way stronger — to be similarly used.

57) In these circumstances, it seems to me that

we

NOTE—Contn. sheet.

27
22

G. R. S. III-2]

General and Revenue Secretariat. | 4-7 File No. 60 of 19 23

Serial No.

we may request the Residency to ~~permit~~ allow the sum of about Rs.2 lakhs due to us to be adjusted against the subsidy payable this month and to obtain the permission of the Government of India to such adjustment, if necessary, by telegraph.

DE... ...S OF ...
REGD. 19 MAR. 192...
R ... 6751.....

DEWAN.) Mull 19.3.24

58) I understand the information that the Dewan's Secretary has left Madras. Please verify

4
19.3

59) The file has not yet been received back in the Secretariat. The Private Secretary to the Dewan is requested to have enquiries made as to where the file is Mull 19.3.24

60) I attend to the draft telegram also today & return the file the very day. Please trace. In the meantime, kindly put up a fresh draft

4
20.3

NOTE—Contn. sheet.

25/23 23

G. R. S. III-2]

General and Revenue Secretariat.

97 File No. 80 of 1923

Serial No.

61) I put up a draft. I have perused it that the balance due may be permitted to be adjusted towards the Subsidy payable this month.

Mull 20.3.24

DE... 22 MAR 1924 6868 Inc...

De Jan)

62) [illegible] 20 3

10. Pol. 880 & 20/3/24 — To Secy. to Resident — Requests that the balance of the Subsidy still due for 22-23 may be adjusted towards the Subsidy payment due in the current month.

63) Forwarded to the Pol Secy to Dewan with ref to his [illegible] Wed 19.3.24

64) Reply has been issued 27/3/24 a draft which [illegible]

Z 27/3

NOTE—Contn sheet.

29
2

G. R. S. III-2]

General and Revenue Secretariat. | R.E. File No. 80 of 1923.

Serial No.	
	65) D.Sy portg. Dewan) Mull 24.3.24
	66) " 27.7

1-4-80-EC

30

Submitted to His Highness.

Paper 13 of the office Note

67) In continuation of my Submission Note dated 15th February 1924, I beg to report that the reply to our letter dated 16th February 1924 asking for the payment of the balance of about Rs. 2 lakhs still due for the year 1922-23 has been communicated in the Residency letter No.1848/613-1899 dated 27th February 1924. The Residency persists in maintaining that the with-holding of the sum is correct, as it is in accordance with the orders of the Government of India communicated in their letter dated 7th May 1923. This view is not at all correct. There can be no doubt that the money is due to us and with-holding it is neither in accordance with the Settlement of 1912 nor according to the new Settlement. The whole case has been dealt with by the Residency in a most unbusiness-like and unfair manner in spite of clear understanding to the contrary and it is necessary to point out the inconsistency of the arguments advanced which have no legs whatever to stand upon.

68) The second instalment of the subsidy is payable before the end of this month and it is not fair that the Government of India should keep a sum of about Rs.2 lakhs due to us for the year 1922-23 which closed nearly nine months back and expect us to pay the whole of the subsidy of Rs. 17½ lakhs. The Residency has accordingly been requested to obtain the permission of the Government of India to utilize the balance of about Rs. 2 lakhs still due towards the subsidy payable this month. I submit for the gracious information of His Highness, the letter addressed to the Residency on this subject.

25 MAR 1924

Bangalore,

25th March 1924.

EWU.

Confidential 31

4-2-80-23

Record of Cases submitted for the Orders of His Highness the Maharaja

Subject.

Letter to the Residency requesting the Government of India to adjust the balance of the surplus revenue of the Civil and Military Station still due for 1922-23, towards the second instalment of the Subsidy.

768

69) *Order.*

~~KRM~~

8/4/24

70) Hrcy 4/4

-9 APR. 1924

71) Mer 9/4/24

72) Mer 10/4

B/244

Draft. Rot 602

29th Dec 1923

To

The Secretary to the

Hon'ble the Resident in Mysore,

BANGALORE.

G.7.
80-7-23

Sir,

The surplus of the Civil & Military Station for the year 1922-23, which closed nine months ago, has, it is believed, been now ascertained. A sum of Rs.5 lakhs is also payable to the Government of Mysore under the new settlement, towards the arrears of the three years beginning with 1918-19. I am directed to request that these two amounts may be adjusted against the first instalment of the subsidy payable in January 1924 and that the balance due after such adjustment may be intimated for cash payment.

I have, etc.,

FINANCIAL SECRETARY TO GOVERNMENT.

No. H 3525 of 29th Dec/23

Copy to Comptr for information

29/12/23

Pol 941 38 30

B. O. 2.—R. P. B.—5—1922.—5,000.

No. 121 ENC.
606-1899.

97-80-23
2

FROM A. N. M. Cater, Esq., I.C.S.,
SECRETARY TO THE RESIDENT IN MYSORE.

D 2369
R.

To
The Financial Secretary to the Government of
His Highness the Maharaja of Mysore.

Dated Bangalore, 8th January 1924.

Subject:—

SUBSIDY.

SIR,

With reference to your letter No.602-Pol., dated the 29th December 1923, I am directed to state that the pro-forma account of the Civil & Military Station of Bangalore for the year 1922-23 has been sent to the Accountant General, Central Revenues, Calcutta for verification and that the surplus for that year cannot be adjusted till the account has been finally verified by him. He has been reminded in the matter by telegram.

2. As the new settlement referred to by you has yet to be approved by the Government of India and also, it is believed, by the Secretary of State, no adjustment of Rupees five lakhs can be made until formal sanction has been received.

3. I am, however, to add that the representation of His Highness's Government in the matter has been submitted to the Government of India for orders.

I have the honour to be,
Sir,
Your most obedient servant,

SECRETARY TO THE RESIDENT.

34
29

Draft. G.F
80 of 23.
3

To

The Secretary to the Hon'ble
the British Resident in Mysore,
Bangalore.

Col 641
10th January 1924
Sd by Dr. M.N. Krishnarao.

Sir,

I am directed to acknowledge the receipt of your letter No.121 dated 8th January 1924 regarding the adjustment of the surplus revenues of the Civil & Military Station due t the Government of Mysore towards the first instalment of the subsidy payable in the cu rent month. As stated in my previous lett the adverse seasonal conditions of the year ~~xxxxxxxxxx~~ have altered for the worse, the cash calculations made at the Budget tim and it has become necessary to utilise, towards the subsidy, the amounts payable on account of the surplus revenues of the Civil and Military Station. As the payment of a sum of Rs.5 lakhs towards the arrears of the three years beginning with 1918-19 is one of the conditions of the new settlement agreed to both by the Government of Mysore and the Hon'ble the British Resident, ~~it is~~ I am requested that the Hon'ble the believed that there can be no objection to permit this amount also to be adjusted. As regards the surplus payable for the year 1922-23, if the final verification is likely to take time, the bulk of the amount due may at least be permitted to be utilised for the proposed purpose subject to adjustment of an odd sum over such amount.

The year ended 9th the Subsidy is due Closed 9 months ago - and pending verification these may be adjusted towards the Subsidy

BR may be asked to furnish the G of I approving this adjustment. Also Advise by telegram as there are only 10 days left for the payment of 10-1

In these circumstances, I am to request that early orders of the Government of India may kindly be obtained authorising the adjustment of both the amounts and intimating the balance to be paid in cash.

I have etc.

8/1/24

Financial Secretary to Govt.

86 D 2723

E. O. 2.—E. P. B.—5—1922.—5,000.

VERY URGENT.

No. 812 Enc.
606-1899.

1033/25-1-24

97 80-23

From

A. H. L. Cater, Esq., I.C.S.,
SECRETARY to the RESIDENT in MYSORE.

GENL. & REV. SECTT. Br. 7 5 JAN. 1924 H.D. BENTLEY

To

The Financial Secretary to the Government of
His Highness the Maharaja of Mysore.

Dated Bangalore, 25th January 1924.

Subject:—

PAYMENT OF THE SUBSIDY BY THE MYSORE GOVERNMENT.

Sir,

With reference to the correspondence ending with your letter No.641-Pol., dated the 10th January 1924, I am directed to state that the Government of India have been pleased to accept the Mysore share of the surplus revenues of the Civil and Military Station, Bangalore for the year 1922-23 amounting to Rs.6,03,482/-(Rupees six lakhs three thousand and four hundred and eighty two) as part payment of the subsidy instalment due by the 31st January 1924. They have also agreed similarly to set off Rupees five lakhs payable to Mysore Government from the accumulated surpluses on the clear understanding that the adjustment is provisional only and subject to the view that the Secretary of State for India may take of the proposed settlement of the Assigned Tract Revenue question.

2. The balance of the subsidy payable in cash by the Mysore Government by the 31st January 1924 is Rs.6,46,518/ (Rupees six lakhs forty six thousand and five hundred and eighteen).

3.

3. The receipt of this letter may kindly be acknowledged.

I have the honour to be,
Sir,
Your most obedient servant,

A M Peris

for SECRETARY TO THE RESIDENT.

No.

A copy of the foregoing letter is forwarded to the Accountant General, Madras, for information, with reference Officer in charge of the Resident's Treasury, Bangalore, to his letter No.Bang.15-12-31, dated the 17th January 1924. for information.

sd/ A.M. Peris,

for SECRETARY TO THE RESIDENT.

BJ

38

25th January 1924.

7C 3963.
G.7 80-23-S

T. Satyaraj Chetty, Esq., B.A.,
Comptroller to the Government of Mysore,
B A N G A L O R E.

I am directed to forward herewith for your information and necessary action, a copy of the Residency letter No. 812/606-1899 dated 25th January 1924 stating that the Government of India have agreed to adjust, towards the first instalment of the subsidy payable this month, a sum of Rs.11,03,482 -0-0 payable to us on account of the surplus of the Civil & Military Station and that the balance of Rs.6,46,518-0-0 (Rupees Six lakhs, forty six thousand five hundred and eighteen only) alone need be paid in cash this month in payment of the subsidy.

I have the honour to be,

S i r,

Your most obedient servant,

25/1/24

Financial Secretary to Govt.

Draft.

97-80-28
81 6

To

The Secretary to the Hon'ble
the British Resident in Mysore,
BANGALORE.

Col 700
26th January 1924

Sir,

I am directed to acknowledge the receipt of your letter No.812/606-1899 dated 25th January 1924 and to express the thanks of the Government of Mysore for having ~~so very~~ kindly complied with their request for adjustment, towards the subsidy payable in the current month, the surplus revenues of the Civil & Military Station due to them.

to the Govt of India and the Hon'ble Resident.

It is stated in your letter that what has been adjusted as the amount due for the year 1922-23 is "the Mysore share of the surplus" for that year . One of the conditions of the new settlement ~~of the general question, as~~ agreed to by the Government of Mysore and the Hon'ble the Resident, ~~was~~ is that the ~~new arrangement~~ the principle of apportionment of the surplus should be brought into force from 1924-25 i.e., the surplus due for the Station year 1923-24 should be shared between the ~~two~~ parties in the agreed proportions. It would however appear from the letter under reply that the principle of apportionment has been applied to the surplus of the year 1922-23 itself. I am to request that information may be kindly furnished to clear up this doubt.

I have etc.

Mysore 25/1/24
Financial Secretary to Govt.

Pol 1103 38 40

R. O. 2.—R. P. B.—5—1922.—5,000.

No. 1412 Enc.
606-1899.

From

A. N. L. Cater, Esq., I.C.S.,
SECRETARY to the RESIDENT in MYSORE.

97 - 1

H 29245
7E.

To

The Financial Secretary to the Government of
His Highness the Maharaja of Mysore.

3 FEB. 1924 G. D. SECTION

Dated Bangalore, 12th February 1924.

Subject:—

SURPLUS REVENUES OF THE MYSORE ASSIGNED TRACT.

Sir,

With reference to your letter No.700-Pol., dated the 26th January 1924, I am directed to state that in March 1923 the Government of India ordered that a reserve fund of rupees three lakhs should be maintained as a permanent measure out of the surpluses of the Civil & Military Station, Bangalore, for the year 1922-23 and subsequent years and invested in Government of India securities. According to the above orders a sum of Rs.2,01,160-13-9 has been kept in reserve out of the surplus of Rs.8,04,643-6-10 for the year 1922-23. The balance viz. Rs.6,03,482/- has been adjusted towards the payment of the subsidy instalment due by the 31st January 1924. In the event of the above orders being modified the amount reserved will be at once handed over to the Mysore Government.

2. I am to add that there is no intention to apply the principle of sharing the surplus to the surplus revenue of the year 1922-23 and the Hon'ble the Resident regrets that the

wording

wording of the letter of the 25th January 1924 should have given rise to any misconception on this point.

I have the honour to be,
Sir,
Your most obedient servant.

SECRETARY TO THE RESIDENT.

BJ

Respectfully submitted.

As ordered by the Dewan, I send herewith the approved draft of a letter to the Secretary to the Hon'ble the Resident, re. the C & M.S. surplus for 1922-23, for issue.

The connected file has been submitted to His Highness with a Submission Note. A copy of this letter also accompanies the Sub. Note.

C Sreenivasa Rao
Dewan's office
15.2.24

37 42

Draft. G.9. 80-28-8.

To

A. N. L. Cater, Esq., I.C.S.,
Secretary to the Resident in Mysore,
BANGALORE.

Pol 775 2/24
16th February 1924
Sd by Mr. M. N. K.

Sir,

I am directed to acknowledge the receip of your letter No.1412/606-1899 dated 12th February 1924 regarding the surplus revenues of the Assigned Tract. The Government of Mysore are glad to be assured that there is no intention to apply the principle of sharing the surplus to the surplus revenues of the year 1922-23. They are, however, unabl to understand why one-fourth of the surplus for that year has, in spite of this assuranc been with-held. The authority quoted in support of the retention of this amount is, apparently, your letter No. C.2534/24 dated 7th May 1923. In this letter were communicated the conditions of an arrangement which the Government of India proposed to adopt for settling the question of the annual surplus to be made over to the Mysore Government. This arrangement was not accepted by the Government of Mysore and all the correspondence and discussions that have since taken place were with the object of modifying this very arrangement. It is not, ther fore, clear how a part of the surplus due for the year 1922-23 has been with-held according to a tentative proposal which was found unacceptable and which has actually

Pag. 15-
Vol. IV.

8843

Standard

actually been ~~given up~~. The entire actual surplus according to the pro forma account for the year 1922-23 is kept payable to the Government of Mysore according to the Settlement of 1912. As for the new Settlement agreed to by the Hon'ble the Resident and the Government of Mysore, it does not, as admitted in your letter, under reply, apply to the surplus of 1922-23 at all. It will thus ~~xxx~~ be seen that the retention of any part of the surplus for the year 1922-23 is not supported by any ~~authority~~ sanction and I am, therefore, to request that early arrangements may kindly be made for payment of the balance still due for that year.

I have etc.,

Financial Secretary.

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE,

No Pol 775 General and Revenue Secretariat,

Bangalore, dated 16 Febry. 1924.

From

Rajakaryaprasakta
M.N. Krishna Rao, B.A.,
Financial Secretary to Government of Mysore,
Bangalore.

To

A.N.L. Cater, Esq., I.C.S.,
Secretary to the Hon'ble the Resident in Mysore,
Bangalore.

Sir,

I am directed to acknowledge the receipt of your letter No. 1412/606-1899 dated 12th February 1924 regarding the surplus revenues of the Assigned Tract. The Government of Mysore are glad to be assured that there is no intention to apply the principle of sharing the surplus revenues of the year 1922-23. They are, however, unable to understand why one-fourth of the surplus for that year has, in spite of this assurance been withheld. The authority quoted in support of the retention of this amount is, apparently, your letter No. C. 2534/24 dated 7th May 1923. In this letter were communicated the conditions of an arrangement which the Government of India proposed to adopt for settling the question of the annual surplus to be made over to the Mysore Government. This arrangement was not accepted by the Government of Mysore and all the correspondence and discussions that have since taken place were with the object of modifying this very arrangement. It is not, therefore clear how a part of the surplus due for the year 1922-23 has been withheld according to a tentative proposal which was found unacceptable and which has actually been abandoned. The entire actual surplus according to the pro forma account for the year 1922-23 is therefore payable to the Government of Mysore according to the Settlement of 1912. As for the new Settlement agreed to by the Hon'ble the Resident and the Government of Mysore, it does not, as admitted in your letter under

reply, apply to the surplus of 1922-23 at all. It will thus be seen that the retention of any part of the surplus for the year 1922-23 is not supported by any understanding and I am, therefore, to request that early arrangements may kindly be made for payment of the balance still due for that year.

I have the honour to be,
Sir,
Your most obedient servant,

Sd. M. N. KRISHNA RAO.

Financial Secretary to Govt.

CSR.

Pol 1173

G.2. 80.23-9.44

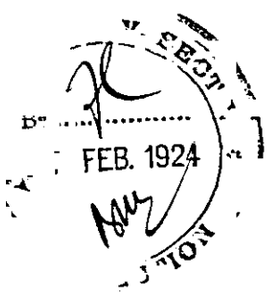
B. O. 2.—R. P. B.—5—1922.—5,000.

No. 1848 Enc. 3a
613-1899.

From

A. N. L. Cater, Esq., I.C.S.,
SECRETARY TO THE RESIDENT IN MYSORE.

3183



To

The Financial Secretary to the Government of
His Highness the Maharaja of Mysore.

Dated Bangalore, 27th February 1924.

Subject:—

PAYMENT OF THE SUBSIDY BY THE GOVERNMENT OF MYSORE.

Sir,

I am directed to reply to your letter No. Pol.775, dated the 16th February 1924.

2. I am to say that His Highness' Government are correct in thinking that the authority for the retention of one-fourth of the surplus revenues of the Assigned Tract for the year 1922-23 is founded on my letter No.C.2534/24, dated the 7th May 1923; but it is not correct to say that this letter merely "communicated the conditions of an arrangement which the Government of India proposed to adopt for settling the question" etc. On the contrary it conveyed definite orders of the Government of India which hold good until they are modified or superseded by fresh orders. The letter was not "a tentative proposal" nor has the scheme outlined in it as yet been officially abandoned. It is true that the Government of Mysore protested against that scheme and as a result of their representations the Government of India consented to take the matter into further consideration; but no final orders have yet been received from the Government of India on the subject or any official communication.

I am to add that the one-fourth part of the surplus revenues for

for the year 1922-23 was not withheld under any instructions or orders of the Resident, but under the orders of the Government of India themselves.

I have the honour to be,
Sir,
Your most obedient servant,

SECRETARY TO THE RESIDENT.

BJ

Draft. Pol 880 d 20th March 24

No:

G.J. 80-23-10

To

The Secretary

to the Hon'ble the Resident in Mysore,

BANGALORE.

S i r,

I am directed to acknowledge the receipt of your letter No.1848/613-1899 dated 27th February 1924 stating the circumstances in which one-fourth of the surplus of the year 1922-23 has been with-held.

I am to state that if any part of the surplus should be with-held at all, it can only be under either the old Settlement of 1912 or the new Settlement agreed to by the Government of Mysore and the Hon'ble the Resident. The retention of no part of the surplus of the year 1922-23 is supported by the Settlement of 1912. As for the new Settlement, it does not apply to the surplus of the year 1922-23 at all as admitted in your letter No.1412/606-1899 dated 12th February 1924 and even after this Settlement comes into force, it is one of its essential conditions that no part of the annual surplus is to be set aside for forming a reserve for meeting future deficits.

The scheme communicated in your letter No.2534/24 dated 7th May 1923 is not a Settlement and as stated in your letter under reply the Government of India agreed to reconsider this scheme on the representation of the Government of Mysore and the new Settlement is the result of the compro-

compromise accepted by the Government of Mysore and the Hon'ble the Resident. The enforcement of the part of the scheme relating to the formation of a reserve of Rs.3 lakhs would be an arrangement not intended by either party and it would also be to the prejudice of the interests of the Government of Mysore.

The understanding on which the new settlement has been arrived at is that the old Settlement of 1912 should be given effect to commencing with the year 1921-22 until the new Settlement comes into force. It was in accordance with this understanding that the total surplus due for the year 1921-22 was handed over to His Highness' Government last year, without retaining any part of it for forming a reserve. The surplus due for the year 1922-23 cannot be treated differently from that of the previous year.

It will thus be seen that ~~it is not right to~~ withhold any part of the surplus for the year 1922-23 on the authority of the scheme proposed in your letter dated 7th May 1923 ~~which~~ was not accepted by the Government of Mysore and which has accordingly been materially modified as the result of protracted correspondence and personal discussions.

The Government of Mysore have taken credit, in their Budget Estimates for the current year, for the full amount

of the surplus due for the year 1922-23 and the with-holding of any part of it will seriously dislocate their budget calculations. Their finances for the year 1923-24 have already been upset by adverse agricultural conditions and it would add to their financial difficulties if the sum of about Rs.2 lakhs still due for the year 1922-23 is with-held..

In view of these considerations, as also of the fact that the retention of any part of the surplus due for the year 1922-23 is supported neither by the Settlement of 1912 nor by the principle of the new Settlement, I am to request that the balance of surplus still due for 1922-23 may be kindly adjusted towards the second instalment of the subsidy of Rs.17½ lakhs payable by the Mysor Government in the current month.

I am to request that this representation may be submitted to the Govt. of India. As the subsidy payment has to be made before the end of this month, His Highness' Government will be much obliged if the permission of the Govt. of India to adjust the amount towards this payment and to pay only the balance in cash is very kindly obtained by telegraph.

I have, etc.,

Financial Secretary to Govt

Telegram to the Accountant General

49 Pol. 1279

B. O. 2.—R. P. B.—5—1922.—5,000.

URGENT

No. 32-T Enc. —

G.J. 80. 23-12

From

A. N. L. Cater, Esq., I.C.S.,

SECRETARY TO THE RESIDENT IN MYSORE.

3665

To

The Financial Secretary to the Government of His Highness the Maharaja of Mysore.

Camp Kercara

Dated Bangalore, the 25th March 1924.

Subject:—

Surplus revenues of the Assigned Tract of Bangalore.

Sir,

I am directed to acknowledge the receipt of your letter No. 880-Pol., dated the 20th March 1924 and to state that -- the Government of India have been addressed by telegram on 24th March and that the Hon'ble the Resident has recommended the request of the Government of Mysore for acceptance. It may not be possible to arrange the desired adjustment owing to the late stage in the financial year.

I have the honour to be,

Sir,

Your most obedient servant,

Secretary to the Resident.

45 50

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE.

In reply please refer to No.....
Books. 1826.

G.7.80.23-13

3606 M

Comptroller's Office, Bangalore,

Dated the 25th March *192* 4

The Accountant-General,
M a d r a s.

Sir,

With reference to your letter No. T.M.6/8140 dated 22nd March 1924, re the payment of Rs.17,50,000/- towards the 2nd instalment of subsidy before the end of this month, I have the honor to state that a sum of Rs.14,06,998-2-0 has been paid already in cash up to this date into the Hon'ble the Resident's Treasury. The bal nce will be arrange to be paid by the end of this month.

I have the honor to be,
Sir,
Your most obedient servant,

(Sd.) T. Satyaraj Chetty,
Comptroller.

SAM)

Copy

3440

Copy of the above is forwarded with compliments to the Financial Secretary to the Government of Mysore, for information.

J Satyanarayana Rao

Comptroller

4/ 9C

G.1

45 51

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE.

3728
H.

In reply please refer to No. Books 1656.

Comptroller's Office, Bangalore,

Dated the 2nd April *192*4.

DEWAN'S OFFICE,
RECD. ON 4 APR. 1924
Reg. No 7210

To

Rajakaryaprasaktha M.N.Krishna Rao, Esq., B.A.,

Secretary to the Government of Mysore,
Financial Department.

Sir,

I have the honour to state that the Second Instalment of Rs.17½ lakhs of Subsidy due to British Government on 31st March 1924 was paid in full on the due date.

I have the honor to be,
Sir,
Your most obedient servant,

T. Satyanarayana Rao
Comptroller.

For information
Dewan
3/4/24

U.

Myn Consl 577/24 dt 29/3/24 EB 2/4

Miscellaneous papers.

G. R. S. III—3]

ROUTINE NOTES.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

DEWAN'S OFFICE
Recd. on JAN 8 1924
Reg. No. 4704

Copy of Residency letter No. 121 dated the 8th January 1924 in re the adjustment of the surplus revenue of the C & M Station for the year 1922-23 towards the subsidy, is submitted to Dewan.

8/1

Registrar.

9/1

Action taken on original

MR V N S.
Place this in the connected on return.

N. B.—Should routine notes be written on small slips the notes must be cipoed, or slips pasted on this form

Draft D.O.

Dear Mr. Barton,

May I invite ~~your~~ reference to the Financial Secretary's letter No. Pol.641 dated 10th January 1924 requesting that the permission of the Government of India may kindly be obtained, if necessary by telegraph, for adjusting towards the subsidy payable this month the surplus revenues of the Civil & Military Station for 1922-23 and the sum ~~arrears~~ of Rs. 5 lakhs due towards the arrears of the three years beginning with 1918-19. The subsidy has to be paid before the end of this month and unless ~~we hear~~ reply is received in the next few days ~~about complying with our request~~, special arrangements will have to be made for the payment of the subsidy. As has already been stated, it has become very difficult to make such arrangements owing to the disappointment ~~in some respects~~ in some of our budget anticipations. I shall thank you to kindly let me know how the matter stands and if I may expect a favourable reply within the next three or four days.

Yours sincerely,

(DEWAN.)

Mull
23/4/24

To

The Hon'ble Mr. W.P.Barton, C.S.I., C.I.E.

Draft.

To

The Secretary

to the Hon'ble the Resident in Mys
ore

BANGALORE.

S i r,

I am directed to acknowledge th
receipt of your letter No.1848/613-1899 dated 27th February 1924 stating the circumstances in which one-fourth of the surplus of the year 1922-23 has been with-held. I am to state that

2. ~~If~~ any part of the surplus should be with-held at all, it can only be under either the old Settlement ~~of~~ of 1912 ~~or~~ the New Settlement agreed to by the Government of Mysore and the Hon'ble the Resident. The retention of no part of the surplus of the year 1922-23 is supported by the Settlement of 1912. As for the new Settlement, it does not apply to the surplus of the year 1922-23 at all as admitted in your letter No.1412/606-1899 dated 12th February 1924 and even after this Settlement comes into force, it is one of its essential conditions that no part of the surplus is to be set aside for forming a reserve for meeting future deficits.

~~3.~~ The ~~seek~~ scheme communicated in your letter No.2534/24 dated 7th May 1923 is not a Settlement and as stated in your letter ~~xxxxx~~ under reply the Government of India agreed to reconsider

this scheme on the representation of the Government of Mysore and the new Settlement is the result of the compromise accepted by the Government of Mysore and the Hon'ble the Resident. The enforcement of the part of the scheme ~~communicated in your letter dated 7th May 1923~~ relating to the formation of a reserve of Rs3 lakhs would be an arrangement not intended by either party and it would also be to the prejudice of the interests of the Government of Mysore.

4. The understanding on which the new Settlement has been arrived at is that the old Settlement of 1912 should be given effect to commencing with the year 1921-22 until the new Settlement comes into force. It was in accordance with this understanding that the total surplus due for the year 1921-22 was handed over to His Highness' Government last year, without retaining any part of it for forming a reserve. The surplus due for the year 1922-23 cannot be treated differently from that of the previous year.

5. It will thus be seen that it ~~is not proper~~ right to with-hold any part of the surplus for the year 1922-23 on the authority of the scheme proposed in your letter dated 7th May 1923 which was not accepted by the Government of Mysore,

and which has accordingly been materially modified as the result of protracted correspondence and personal discussions.

6. The Government of Mysore have taken credit, in their budget estimates for the current year, for the full amount of the surplus due for the year 1922-23 and the with-holding of any part of it will seriously dislocate their budget calculations. Their finances for the year 1923-24 have already been upset by adverse agricultural conditions and it would add to their financial difficulties if the sum of about Rs.2 lakhs still due for the year 1922-23 is with-held. In view of these considerations as also of the fact that the retention of any part of the surplus due for the year 1922-23 is supported neither by the Settlement of 1912 nor by the principle of the new Settlement, I am to request that early arrangements may kindly be made for the payment of the balance of the surplus due for that year.

7. I am also to request that this representation may be submitted for the early consideration and orders of the Government of India.

I have, etc.,

1.3.24

Financial Secretary to Govt.

D. S. N.

In continuation of my Submission Note dated 15th February 1924, I beg to report that the reply to our letter dated 16th February 1924 asking for the payment of the balance of about Rs2 lakhs still due for the year 1922-23 has now been received vide letter of 27.2.24. The Residency persists in maintaining that the withholding of the sum is according to the orders of the Government of India communicated in the letter dated 7th May 1923. This view is not at all correct. There can be no doubt that the money is due to us as ~~with~~ the withholding is neither in accordance with the Settlement of 1912 nor according to the new Settlement. It has, therefore, become necessary to again press the Residency to arrange for paying up the amount and it has been requested to submit the representation made in the letter put up, to the Government of India for their early consideration and orders.

I report these facts for the gracious information of H.H.

DEWAN.

The whole case is described in a most interesting little volume entitled "Mysore" by Colonel Wilks the Secretary to the Residency Department. He was in charge of the Mysore Commissioner's Office and had access to all the records.

Mysore
6.3.24

Surplus revenue of the Bengal Branch.

		Month of sale in which realised	Date of payment of net balance
Arrears.	10,00,000 - 0 - 0	June 22	2.8.22
"	3,27,160 - 8 - 9	August 22	7.10.22
1921-22	10,47,718 - 3 - 2	Feb. 23	28.3.23